

1 AN ACT in relation to public employee benefits.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Illinois Pension Code is amended by
5 changing Sections 7-109.3 and 7-132 as follows:

6 (40 ILCS 5/7-109.3) (from Ch. 108 1/2, par. 7-109.3)
7 Sec. 7-109.3. "Sheriff's Law Enforcement Employees".

8 (a) "Sheriff's law enforcement employee" or "SLEP"
9 means:

10 (1) A county sheriff and all deputies, other than
11 special deputies, employed on a full time basis in the
12 office of the sheriff.

13 (2) A person who has elected to participate in this
14 Fund under Section 3-109.1 of this Code, and who is
15 employed by a participating municipality to perform
16 police duties.

17 (3) A law enforcement officer employed on a full
18 time basis by a Forest Preserve District, provided that
19 such officer shall be deemed a "sheriff's law enforcement
20 employee" for the purposes of this Article, and service
21 in that capacity shall be deemed to be service as a
22 sheriff's law enforcement employee, only if the board of
23 commissioners of the District have so elected by adoption
24 of an affirmative resolution. Such election, once made,
25 may not be rescinded.

26 (4) A person not eligible to participate in a fund
27 established under Article 3 of this Code who is employed
28 on a full-time basis by a participating municipality or
29 participating instrumentality to perform police duties at
30 an airport, but only if the governing authority of the
31 employer has approved sheriff's law enforcement employee

1 status for its airport police employees by adoption of an
2 affirmative resolution. Such approval, once given, may
3 not be rescinded.

4 (5) A person not eligible to participate in a fund
5 established under Article 3 of this Code who is employed
6 on a full-time basis by a participating city, village, or
7 incorporated town to perform police duties.

8 (b) An employee who is a sheriff's law enforcement
9 employee and is granted military leave or authorized leave of
10 absence shall receive service credit in that capacity.
11 Sheriff's law enforcement employees shall not be entitled to
12 out-of-State out-of-State service credit under Section 7-139.
13 (Source: P.A. 90-448, eff. 8-16-97; revised 9-27-00.)

14 (40 ILCS 5/7-132) (from Ch. 108 1/2, par. 7-132)
15 Sec. 7-132. Municipalities, instrumentalities and
16 participating instrumentalities included and effective dates.

17 (A) Municipalities and their instrumentalities.
18 (a) The following described municipalities, but not
19 including any with more than 1,000,000 inhabitants, and the
20 instrumentalities thereof, shall be included within and be
21 subject to this Article beginning upon the effective dates
22 specified by the Board:

23 (1) Except as to the municipalities and
24 instrumentalities thereof specifically excluded under
25 this Article, every county shall be subject to this
26 Article, and all cities, villages and incorporated towns
27 having a population in excess of 5,000 inhabitants as
28 determined by the last preceding decennial or subsequent
29 federal census, shall be subject to this Article
30 following publication of the census by the Bureau of the
31 Census. Within 90 days after publication of the census,
32 the Board shall notify any municipality that has become
33 subject to this Article as a result of that census, and

1 shall provide information to the corporate authorities of
2 the municipality explaining the duties and consequences
3 of participation. The notification shall also include a
4 proposed date upon which participation by the
5 municipality will commence.

6 However, for any city, village or incorporated town
7 that attains a population over 5,000 inhabitants after
8 having provided social security coverage for its
9 employees under the Social Security Enabling Act,
10 participation under this Article shall not be mandatory
11 (except as provided in subdivision (A)(a-5) of this
12 Section) but may be elected in accordance with
13 subparagraph (3) or (4) of this paragraph (a), whichever
14 is applicable.

15 (2) School districts, other than those specifically
16 excluded under this Article, shall be subject to this
17 Article, without election, with respect to all employees
18 thereof.

19 (3) Towns and all other bodies politic and
20 corporate which are formed by vote of, or are subject to
21 control by, the electors in towns and are located in
22 towns which are not participating municipalities on the
23 effective date of this Act, may become subject to this
24 Article by election pursuant to Section 7-132.1.

25 (4) Any other municipality (together with its
26 instrumentalities), other than those specifically
27 excluded from participation and those described in
28 paragraph (3) above, may elect to be included either by
29 referendum under Section 7-134 or by the adoption of a
30 resolution or ordinance by its governing body. A copy of
31 such resolution or ordinance duly authenticated and
32 certified by the clerk of the municipality or other
33 appropriate official of its governing body shall
34 constitute the required notice to the board of such

1 action.

2 (a-5) Notwithstanding the other provisions of this
3 Section, a city, village, or incorporated town with a
4 population of less than 1,000,000 that (i) does not otherwise
5 participate in the Fund and (ii) employs one or more
6 full-time police officers who do not participate in an
7 Article 3 police pension fund shall begin to participate in
8 this Fund with respect to those police officers no later than
9 6 months after the effective date of this amendatory Act of
10 the 92nd General Assembly. A city, village, or incorporated
11 town required to participate in the Fund with respect to its
12 full-time police officers under this subdivision (a-5) need
13 not participate in the Fund with respect to its other
14 officers and employees. Participation in this Fund by a
15 city, village, or incorporated town with a population of less
16 than 1,000,000 with respect to its full-time police officers
17 who do not participate in an Article 3 police pension fund is
18 a matter of exclusive State power; this subdivision (a-5) is
19 a denial and limitation of home rule power under subsection
20 (h) of Section 6 of Article VII of the Illinois Constitution.

21 (b) A municipality that is about to begin participation
22 shall submit to the Board an application to participate, in a
23 form acceptable to the Board, not later than 90 days prior to
24 the proposed effective date of participation. The Board
25 shall act upon the application within 90 days, and if it
26 finds that the application is in conformity with its
27 requirements and the requirements of this Article,
28 participation by the applicant shall commence on a date
29 acceptable to the municipality and specified by the Board,
30 but in no event more than one year from the date of
31 application.

32 (c) A participating municipality which succeeds to the
33 functions of a participating municipality which is dissolved
34 or terminates its existence shall assume and be transferred

1 the net accumulation balance in the municipality reserve and
2 the municipality account receivable balance of the terminated
3 municipality.

4 (d) In the case of a Veterans Assistance Commission
5 whose employees were being treated by the Fund on January 1,
6 1990 as employees of the county served by the Commission, the
7 Fund may continue to treat the employees of the Veterans
8 Assistance Commission as county employees for the purposes of
9 this Article, unless the Commission becomes a participating
10 instrumentality in accordance with subsection (B) of this
11 Section.

12 (B) Participating instrumentalities.

13 (a) The participating instrumentalities designated in
14 paragraph (b) of this subsection shall be included within and
15 be subject to this Article if:

16 (1) an application to participate, in a form
17 acceptable to the Board and adopted by a two-thirds vote
18 of the governing body, is presented to the Board not
19 later than 90 days prior to the proposed effective date;
20 and

21 (2) the Board finds that the application is in
22 conformity with its requirements, that the applicant has
23 reasonable expectation to continue as a political entity
24 for a period of at least 10 years and has the prospective
25 financial capacity to meet its current and future
26 obligations to the Fund, and that the actuarial soundness
27 of the Fund may be reasonably expected to be unimpaired
28 by approval of participation by the applicant.

29 The Board shall notify the applicant of its findings
30 within 90 days after receiving the application, and if the
31 Board approves the application, participation by the
32 applicant shall commence on the effective date specified by
33 the Board.

34 (b) The following participating instrumentalities, so

1 long as they meet the requirements of Section 7-108 and the
2 area served by them or within their jurisdiction is not
3 located entirely within a municipality having more than one
4 million inhabitants, may be included hereunder:

5 i. Township School District Trustees.

6 ii. Multiple County and Consolidated Health
7 Departments created under Division 5-25 of the Counties
8 Code or its predecessor law.

9 iii. Public Building Commissions created under the
10 Public Building Commission Act, and located in counties
11 of less than 1,000,000 inhabitants.

12 iv. A multitype, consolidated or cooperative
13 library system created under the Illinois Library System
14 Act. Any library system created under the Illinois
15 Library System Act that has one or more predecessors that
16 participated in the Fund may participate in the Fund upon
17 application. The Board shall establish procedures for
18 implementing the transfer of rights and obligations from
19 the predecessor system to the successor system.

20 v. Regional Planning Commissions created under
21 Division 5-14 of the Counties Code or its predecessor
22 law.

23 vi. Local Public Housing Authorities created under
24 the Housing Authorities Act, located in counties of less
25 than 1,000,000 inhabitants.

26 vii. Illinois Municipal League.

27 viii. Northeastern Illinois Metropolitan Area
28 Planning Commission.

29 ix. Southwestern Illinois Metropolitan Area
30 Planning Commission.

31 x. Illinois Association of Park Districts.

32 xi. Illinois Supervisors, County Commissioners and
33 Superintendents of Highways Association.

34 xii. Tri-City Regional Port District.

1 xiii. An association, or not-for-profit
2 corporation, membership in which is authorized under
3 Section 85-15 of the Township Code.

4 xiv. Drainage Districts operating under the
5 Illinois Drainage Code.

6 xv. Local mass transit districts created under the
7 Local Mass Transit District Act.

8 xvi. Soil and water conservation districts created
9 under the Soil and Water Conservation Districts Law.

10 xvii. Commissions created to provide water supply
11 or sewer services or both under Division 135 or Division
12 136 of Article 11 of the Illinois Municipal Code.

13 xviii. Public water districts created under the
14 Public Water District Act.

15 xix. Veterans Assistance Commissions established
16 under Section 9 of the Military Veterans Assistance Act
17 that serve counties with a population of less than
18 1,000,000.

19 xx. The governing body of an entity, other than a
20 vocational education cooperative, created under an
21 intergovernmental cooperative agreement established
22 between participating municipalities under the
23 Intergovernmental Cooperation Act, which by the terms of
24 the agreement is the employer of the persons performing
25 services under the agreement under the usual common law
26 rules determining the employer-employee relationship.
27 The governing body of such an intergovernmental
28 cooperative entity established prior to July 1, 1988 may
29 make participation retroactive to the effective date of
30 the agreement and, if so, the effective date of
31 participation shall be the date the required application
32 is filed with the fund. If any such entity is unable to
33 pay the required employer contributions to the fund, then
34 the participating municipalities shall make payment of

1 the required contributions and the payments shall be
2 allocated as provided in the agreement or, if not so
3 provided, equally among them.

4 xxi. The Illinois Municipal Electric Agency.

5 xxii. The Waukegan Port District.

6 xxiii. The Fox Waterway Agency created under the
7 Fox Waterway Agency Act.

8 (c) The governing boards of special education joint
9 agreements created under Section 10-22.31 of the School Code
10 without designation of an administrative district shall be
11 included within and be subject to this Article as
12 participating instrumentalities when the joint agreement
13 becomes effective. However, the governing board of any such
14 special education joint agreement in effect before September
15 5, 1975 shall not be subject to this Article unless the joint
16 agreement is modified by the school districts to provide that
17 the governing board is subject to this Article, except as
18 otherwise provided by this Section.

19 The governing board of the Special Education District of
20 Lake County shall become subject to this Article as a
21 participating instrumentality on July 1, 1997.
22 Notwithstanding subdivision (a)1 of Section 7-139, on the
23 effective date of participation, employees of the governing
24 board of the Special Education District of Lake County shall
25 receive creditable service for their prior service with that
26 employer, up to a maximum of 5 years, without any employee
27 contribution. Employees may establish creditable service for
28 the remainder of their prior service with that employer, if
29 any, by applying in writing and paying an employee
30 contribution in an amount determined by the Fund, based on
31 the employee contribution rates in effect at the time of
32 application for the creditable service and the employee's
33 salary rate on the effective date of participation for that
34 employer, plus interest at the effective rate from the date

1 of the prior service to the date of payment. Application for
2 this creditable service must be made before July 1, 1998; the
3 payment may be made at any time while the employee is still
4 in service. The employer may elect to make the required
5 contribution on behalf of the employee.

6 The governing board of a special education joint
7 agreement created under Section 10-22.31 of the School Code
8 for which an administrative district has been designated, if
9 there are employees of the cooperative educational entity who
10 are not employees of the administrative district, may elect
11 to participate in the Fund and be included within this
12 Article as a participating instrumentality, subject to such
13 application procedures and rules as the Board may prescribe.

14 The Boards of Control of cooperative or joint educational
15 programs or projects created and administered under Section
16 3-15.14 of the School Code, whether or not the Boards act as
17 their own administrative district, shall be included within
18 and be subject to this Article as participating
19 instrumentalities when the agreement establishing the
20 cooperative or joint educational program or project becomes
21 effective.

22 The governing board of a special education joint
23 agreement entered into after June 30, 1984 and prior to
24 September 17, 1985 which provides for representation on the
25 governing board by less than all the participating districts
26 shall be included within and subject to this Article as a
27 participating instrumentality. Such participation shall be
28 effective as of the date the joint agreement becomes
29 effective.

30 The governing boards of educational service centers
31 established under Section 2-3.62 of the School Code shall be
32 included within and subject to this Article as participating
33 instrumentalities. The governing boards of vocational
34 education cooperative agreements created under the

1 Intergovernmental Cooperation Act and approved by the State
2 Board of Education shall be included within and be subject to
3 this Article as participating instrumentalities. If any such
4 governing boards or boards of control are unable to pay the
5 required employer contributions to the fund, then the school
6 districts served by such boards shall make payment of
7 required contributions as provided in Section 7-172. The
8 payments shall be allocated among the several school
9 districts in proportion to the number of students in average
10 daily attendance for the last full school year for each
11 district in relation to the total number of students in
12 average attendance for such period for all districts served.
13 If such educational service centers, vocational education
14 cooperatives or cooperative or joint educational programs or
15 projects created and administered under Section 3-15.14 of
16 the School Code are dissolved, the assets and obligations
17 shall be distributed among the districts in the same
18 proportions unless otherwise provided.

19 (d) The governing boards of special recreation joint
20 agreements created under Section 8-10b of the Park District
21 Code, operating without designation of an administrative
22 district or an administrative municipality appointed to
23 administer the program operating under the authority of such
24 joint agreement shall be included within and be subject to
25 this Article as participating instrumentalities when the
26 joint agreement becomes effective. However, the governing
27 board of any such special recreation joint agreement in
28 effect before January 1, 1980 shall not be subject to this
29 Article unless the joint agreement is modified, by the
30 districts and municipalities which are parties to the
31 agreement, to provide that the governing board is subject to
32 this Article.

33 If the Board returns any employer and employee
34 contributions to any employer which erroneously submitted

1 such contributions on behalf of a special recreation joint
2 agreement, the Board shall include interest computed from the
3 end of each year to the date of payment, not compounded, at
4 the rate of 7% per annum.

5 (e) Each multi-township assessment district, the board
6 of trustees of which has adopted this Article by ordinance
7 prior to April 1, 1982, shall be a participating
8 instrumentality included within and subject to this Article
9 effective December 1, 1981. The contributions required under
10 Section 7-172 shall be included in the budget prepared under
11 and allocated in accordance with Section 2-30 of the Property
12 Tax Code.

13 (f) Beginning January 1, 1992, each prospective
14 participating municipality or participating instrumentality
15 shall pay to the Fund the cost, as determined by the Board,
16 of a study prepared by the Fund or its actuary, detailing the
17 prospective costs of participation in the Fund to be expected
18 by the municipality or instrumentality.

19 (Source: P.A. 89-162, eff. 7-19-95; 90-511, eff. 8-22-97.)

20 Section 90. The State Mandates Act is amended by adding
21 Section 8.25 as follows:

22 (30 ILCS 805/8.25 new)

23 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6
24 and 8 of this Act, no reimbursement by the State is required
25 for the implementation of any mandate created by this
26 amendatory Act of the 92nd General Assembly.

27 Section 99. Effective date. This Act takes effect upon
28 becoming law.